

Testimony to:

**The Subcommittee on Economic Development,
Public Buildings and Emergency Management**

of the

**Committee on Transportation and
Infrastructure**

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From the:

DELTA REGIONAL AUTHORITY

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Delta Regional Authority -- Testimony

Good afternoon.

Chairwoman Norton, Ranking Member Diaz-Balart and members of the Subcommittee, we are grateful for the opportunity to testify on behalf of the Delta Regional Authority ("DRA" or "Authority"), specifically regarding:

1. Use of ARRA Funds in Economic Development and
2. Future Plans to Continue Strengthening our Nation's Foundation -- Job Growth and Sustainable Regional Economies Through EDA.

Before I commence, please let me introduce myself. I am Chris Masingill and have served as Director of Intergovernmental Affairs to Arkansas Governor Mike Beebe since January 2006. Additionally, and also since January 2006, I serve as Governor Beebe's "designee" and "alternate" to the Delta Regional Authority. As you know, "designee" is the legal designation in DRA's statute for the person, who in the absence of his governor, has the same rights and responsibilities of his governor; whereas the "alternate" handles his governor's day-to-day DRA business. I am pleased to work in both DRA roles on behalf of Governor Beebe.

I would like to add, though, I was a student of and working partner with the Authority even before this tenure, as I was a special projects assistant in Senator Blanche Lincoln's office, when late in 2000, I was able to see firsthand, her work in the creation of the Authority.

And even more so in the years between 2001 and 2005, when I was district director to Congressman Mike Ross, in Arkansas's 4th Congressional district; a district squarely in the heart of the DRA footprint. Those years, in particular, I worked very closely with the Congressman, local elected leaders and economic developers to put together and secure funding for the very worthwhile projects so necessary for the people in our district. I am glad to report we were successful on several occasions, and the district is better for it.

As for our region, while culturally rich, we have suffered from some of the greatest poverty in our nation, as in too many areas and by any objective measure our education attainment levels are too low, too often our community infrastructure is old and decrepit, our health outcomes -- from birth onward -- impede the best development of our human capital and lastly, the placement and use of technology is, clearly, more from the last century than the present.

Accordingly, the Delta Regional Authority was created by Congress in December of 2000 and was actually one of the last bills signed into law by President Bill Clinton. This independent federal agency, the first of its kind created in almost 40 years, was to become a federal-state-local nexus for economic development in this part of the country.

The purpose of the Authority was simple -- to help reduce and mitigate the poverty so pervasive throughout the region. Our tasks are equally straight-forward, as we were to reduce

fragmentation and duplication of development services, serve as a regional planner and coordinator -- working with and reporting to other development agencies -- again, at all three levels of government, and administer a Congressionally funded federal grant program which would concentrate on transportation and basic public infrastructure (now including information technology), business development which emphasizes entrepreneurship, and job training emphasizing existing educational institutions.

While in a minute I will outline several DRA initiatives, I need to provide you a clear and succinct report of where, what, and how our federal grant program has performed, since our beginnings in 2001.

In our eight grant cycles, the Authority has invested some \$74.6 million of its appropriation into 510 projects, and in turn, leveraged almost \$354 million in other government funds (a 4.75 to 1 ration).

Please remember, that in Congress' wisdom, DRA funds can be used to increase the federal participation in a project, effectively serving as the state or local match. When initially conceived, given the dearth of local investment funds available, it was thought the DRA would be primarily be the "first-dollars in" or "all-the-dollars in" projects. However, with eight years of experience now, we know that our funds tend to be the "last-dollars in" -- the final investments needed to change a project from a "no go" to a "go", the leverage needed to commence and complete a project.

More importantly, though, DRA funds and those of our partnering agencies combine to create climates of opportunity, thereby attracting the private-sector investment to create and/or retain jobs in a sustaining environment. Specifically, such private-sector funds invested and being invested total more than \$1.5 billion, which is a ratio of 20.1 to 1, private dollars to DRA dollars.

That means, in an overall eight-year context, investments made and pledged total almost \$1.9 billion, with an overall ratio of 25.5 to 1.

What are these dollars delivering to the region? Since the inception of DRA's federal grant program, 294 projects have been completed with the following results:

- 5,472 jobs created,
- 5,313 jobs retained,
- 11,860 families received improved water and/or sewer and
- 3,315 individuals trained for jobs.

Further, DRA now has 140 projects which are active with projected outcomes including:

- 22,587 families who will receive improved water and sewer,
- 13,992 jobs which will be created,
- 9,455 jobs which will be retained and
- 589 individuals who will be trained for jobs already committed to the Authority.

development efforts, our "Healthy Delta" initiatives work to improve health outcomes throughout all cohorts -- age, race and gender cohorts, as we:

- Combine with USDA to fund three, multi-county diabetes mitigation pilot/demonstration programs, whereby we establish -- through service provision -- the direct link between a person's health and their productivity at work and we see those economic and health outcomes.
- Work in partnership with the Department of Defense's "Innovative Readiness Training", whereby communities receive two weeks of free medical and dental care. During the summer of 2009, DRA and DOD delivered free health services to more than 1,300 delta residents in two delta communities (Clarksdale, MS and Haynesville, AL), and in the summer of 2012, we project to deliver service to more than 7,000 delta residents in at least 6 more communities, in three states.
- Work through the State Department's J1-visa waiver program, which we call our "Delta Doctors" program, whereby we have assisted more than 100 foreign-trained physicians to practice for at least 3 years in some of our medically under-served areas
- Are about to initiate a specific "Healthy Workforce" program designed by representatives from all eight states to assist, empower and fund local efforts within self-sustaining context, again, to improve health outcomes in all cohorts -- age, race and gender.

In short, DRA is working to improve local economies in ways they need it done, and that help is certainly not limited to water and sewer projects. DRA works to deliver its outcomes through multiple, flexible, adaptable and timely approaches -- where success can be built on success.

Chairwoman Norton, Ranking Member Diaz-Balart and members of the Subcommittee, the Authority did not receive, so therefore did not use any ARRA funds, from the Economic Development Administration (EDA) or otherwise; hence, I cannot speak further to that question, except, we did partner with the State of Arkansas and some of its ARRA funds to develop a technology center. Our funds were used to procure a facility and the state's ARRA money was used to outfit the facility.

I would like to add, though, since ARRA's implementation, and in the context of DRA's future plans to continue strengthening our nation's foundation vis-a-vis job growth and sustainable regional economies through the EDA, we think the future is very bright. During the past 12 months, the Authority and EDA have worked to enhance our joint coordination and collaboration on economic development matters. Initial conversations have begun between the Authority and EDA's regional offices about emerging projects and endeavors which we think will eventually bring more resources into our region and help provide the better, more-sustaining environment we need, especially in our most economically distressed communities.

Further, during the past 12 months, DRA has worked to better ensure that its programs better synchronize with those in other federal agencies -- EDA included and from our perspective,

maybe even EDA in particular. We have found EDA staff to be extremely accessible and extremely helpful, as they provide us with much-needed insight and counsel. The Authority is ready to participate more broadly and more-often with the cabinet-level agencies.

Specifically, we have learned from EDA, our program and policy priorities are complementary. Like EDA, our focus is on supporting economically distressed and underserved communities; and like EDA, DRA views environmentally sustainable development and support of regional innovation and entrepreneurship efforts as critical building blocks for economic competitiveness in our region and thereby the global economy.

Accordingly, and I would say most profoundly, we have begun a dialog with EDA on how we might more easily facilitate joint projects and collaboration between our two agencies, which in turn would to better enhance the outcomes we need in our region. And from that perspective, we believe our ability to mitigate our region's poverty through improved health and economic outcomes while reducing fragmentation and duplication is now more in hand than ever.

We have appreciated our opportunity to speak with you and appreciate the support of this body.